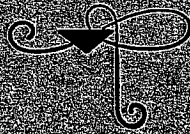


SUPR. OF MINES DEPT.

Report of the
**Walker Mining
Company**



SUPR. OF MINES DEPT.

For the Year Ending December 31, 1929

Walker Mining Company

PLUMAS COUNTY, CALIFORNIA

P. O. AND SHIPPING POINT
SPRING GARDEN, CALIFORNIA

OPERATING OFFICE
KEARNS BUILDING, SALT LAKE CITY, UTAH



(Incorporated under the Laws of the State of Arizona)



CAPITAL STOCK

COMMON—Authorized	-	1,750,000 shares at \$1.00 per share
Issued	- -	1,749,308 shares at \$1.00 per share



Directors

J. R. WALKER W. R. WALKER J. O. ELTON J. B. WHITEHILL
B. R. HOWELL H. A. GEISENDORFER ROBERT E. DWYER

Officers

J. R. WALKER, *President*
ROBERT E. DWYER, *Vice-President*
J. O. ELTON, *Vice-President*
J. B. WHITEHILL, *Secretary-Treasurer*

Transfer Agents

J. W. ALLEN, Transfer Agent, 25 Broadway, New York City, N. Y.
ROM WARBURTON, Transfer Agent, 820 Kearns Bldg., Salt Lake City, Utah

President's Report

Salt Lake City, Utah, March 15, 1930.

TO THE STOCKHOLDERS OF THE WALKER MINING COMPANY:

The following report covering operations of your Company for the year ended December 31, 1929, is submitted:

Referring to the income account, there is shown an operating profit of \$1,015,758.84. The corresponding amount for the year 1928 was an operating profit of \$304,770.35.

The better showing in operating profit for 1929 over that of the previous year was due to an increase in the price of copper and to a larger production.

The average price received during the year 1929 was 18.0765 cents per pound and the price for 1928 was 14.558 cents per pound.

The mining costs for 1929, based on a ton of crude ore for breaking, producing, milling and delivery of concentrates to the railway were \$2.5578. (The costs for 1925, 1926, 1927 and 1928 were respectively \$3.5631, \$3.8213, \$2.7523 and \$2.3391.)

The Company's indebtedness in the form of notes amounting to \$780,000.00 at the beginning of the year was completely wiped out and the balance sheet as of December 31, 1929 shows an excess of current assets over current liabilities amounting to \$578,263.70.

For mining and development operations please refer to the Manager's report.

There were 457,637 tons of ore milled which produced 32,375 tons of concentrates. During the year there were delivered 32,266 tons of concentrates to the smelter having a metal content as follows:

Copper, pounds	15,031,978.
Silver, ounces	294,561.86
Gold, ounces	15,400.359

A development program was carried on continuously with results that were satisfactory, placing the mine with more tons of ore in sight at the end of the year than at the beginning.

The development of the Piute Ore Body above the 700 level was continued and a three-compartment winze has been started for explorations below the 7th level. The winze had reached a depth of 56.5 feet at the end of the year.

On the 8th, 9th and 10th levels below the South and Central Ore Bodies, the work has largely been that of exploration and stope preparation, exposing substantial tonnage of commercial ore.

712 Ore Body has been opened on the 6th level for a distance of 775 feet, and is proving to be a valuable ore body.

During the year the mill capacity was increased 40% by the addition of a flotation unit and another ball mill. The new addition has been in operation since September 1.

J. R. WALKER, *President.*

Manager's Report

Spring Garden, California, March 13, 1930.

Mr. J. R. Walker, Pres.,
Walker Mining Company,
Salt Lake City, Utah.

Dear Sir:—

I beg to submit annual report of the Walker Mining Company covering the period of twelve months beginning January 1, 1929, and ending December 31, 1929.

MINING DEPARTMENT

The tonnage of ore mined during the year was as follows:

Ore broken	513,526 tons
Ore produced	466,856 tons

CENTRAL ORE BODY

Mining was continued above the ninth level, and above the seventh level, cutting pillars by square set method.

A total of 2102 feet of drifts, crosscuts, and raises were driven and 69,223 tons of ore averaging 2.65% copper were produced. Approximately 14.83% of the total tonnage produced came from this ore body.

NORTH ORE BODY

The main supply raise was extended 28 feet and a two compartment raise for ventilation and exit was driven 322 feet to the surface.

A total of 3728 feet of drifts, crosscuts, and raises were driven, and 233,421 tons of ore averaging 1.55% copper were produced. Approximately 50% of the total tonnage produced came from this ore body.

SOUTH ORE BODY

The tenth level was continued north for a distance of 1604.5 feet and a raise 228.5 feet long connected with the ninth level of the central ore body. The northern 252 feet of this level is under the central ore body. This level followed the vein for 1000 feet exposing commercial ore for this distance. This level has been enlarged for motor haulage for a distance of 1000 feet, and electric locomotive and four cars are operating.

A total of 2488 feet of drifts, crosscuts, and raises were driven, and 36,823 tons of ore averaging 1.30% copper were produced. Approximately 7.89% of the total production came from this ore body.

712 ORE BODY

The main level was opened along the vein for a distance of 621.5 feet; a two compartment timbered supply raise was put up for a distance of 233.5 feet, and skip and electric hoist installed; and the sixth level was opened for a distance of 775 feet, with commercial ore nearly the entire length.

A total of 3660 feet of drifts, crosscuts, and raises were driven, and 75,788 tons of ore averaging 2.73% copper were produced. Approximately 16.23% of the total tonnage produced came from this ore body.

PIUTE ORE BODY

Development continued in this ore body, and three stopes were opened. A large hoist room was cut in the foot wall under the main working raise at sub level elevation, a double drum electric hoist installed. A cable raise 50 feet long was connected with the raise and sinking of a three compartment winze below the seventh level reached a depth of 56.5 feet. An electric hoist was installed in the compressor building on the surface, for operation above the seventh level.

A total of 5972 feet of drifts, crosscuts, and raises were driven, including, the above winze, 788.5 feet of large size drifts and crosscuts and 491.5 feet of two compartment raises. 51,601 tons of ore averaging 1.36% copper were produced. Approximately 11.05% of the total production came from this ore body.

HAULAGE

All cars were overhauled, some rebuilt, and new cars built in your shops to a total of 49, all equipped with Timken bearings. One new locomotive was purchased and three equipped with Timken bearings on main journals and ball bearings on motor.

DEVELOPMENT AND MINING

For the purpose of development, advances in underground openings amounted to _____ 8483 feet ✓
Advances for the purposes of mining were _____ 9467 feet ✓
Total footage for development and mining _____ 17950 feet ✓

BREAKAGE AND GRADE

There were 513,526 wet tons of ore broken, 2% moisture, with an average grade of 2.09% copper.

	Wet Tons	% Cu.
South Ore Body	32,521	1.22
Central Ore Body	86,011	2.57
North Ore Body	262,499	1.94
712 Ore Body	68,119	3.07
Piute Ore Body	64,376	1.46

CONCENTRATION DEPARTMENT

The Mill has operated satisfactorily during the year, crushing a total of 457,637 tons of dry ore, or 1,266.53 tons of ore per day for the 361.33 days that the mill was in operation. Four ball mills were in operation after September 1.

Mill statistics for the year were as follows:

Ore delivered to mill, dry tons.....	457,637.0000
Average grade of ore milled, % copper.....	1.8096
Average tails, % copper	0.1539
Average recovery, percentage	92.1000
Average grade of concentrates, % copper.....	23.5587
Average grade of ore milled, ozs. silver.....	0.7900
Average grade of ore milled, ozs. gold.....	0.0550
Tons of concentrates produced	32,374.6669

During the year there were delivered to the smelter 32,266 tons of concentrates having a metal content as follows:

Copper, pounds	15,031,978.
Silver, ounces	294,561.860
Gold, ounces	15,400.359.

NOTE—In addition to the above, 260 pounds of copper, 195.15 ozs. silver and 367.607 ozs. of gold were recovered from lime scale that was taken from flotation cells. Also in addition to the above, 2,145 pounds of scrap copper were shipped to the smelter.

A total of the copper, gold and silver shipped is as follows:

Copper, pounds	15,034,383.
Silver, ounces	294,757.010
Gold, ounces	15,767.966

After deductions on smelter contract had been made, copper paid for by the smelter from concentrates and lime scale amounted to 13,957,968 pound. Cost of producing this copper after crediting gold, and silver content, and including refining charges was

10.799c per pound. This cost includes development in previous years in the amount of \$107,093.90 written off during 1929, but does not include depletion, depreciation, or interest.

TRAMWAY

The tramway handled the following tonnage during the year:

Concentrates, dry tons	32,372.8529
Lime Scale, dry tons	4.0530
Scrap copper, tons	1.0975
Back freight, tons	3,680.8390

COSTS

The operating costs per ton of crude ore for breaking and producing ore and delivery of concentrates at Spring Garden during the year were as follows:

Breaking ore, including all development	\$1.2450
Producing ore, including development	0.5367
Mill operating	0.7115
Tramway (per ton of concentrates \$0.9055)	0.0646
Total	\$2.5578

CAPITAL EXPENDITURES

Capital expenditures during the year were as follows:

Mine Department	\$33,927.60
Mill Department	99,043.88
Camp Buildings & Misc. Equipment	38,265.86
Total Construction & Equipment	\$171,237.34

Yours very truly,

WALKER MINING COMPANY,
By H. A. GEISENDORFER, *Manager.*

Walker Mining Company

BALANCE SHEET—31st DECEMBER, 1929

ASSETS

FIXED:

Mine, Mining Claims and Development	\$1,357,694.60	
Plant and Equipment	1,345,275.21	\$2,702,969.81

CURRENT:

Supplies on hand and Expenses prepaid	177,008.14	
Ores and Concentrates on hand—at cost	384,917.41	
Accounts Receivable	119,133.83	
Cash	15,460.16	696,519.54
		<u>\$3,399,489.35</u>

LIABILITIES

CAPITAL STOCK:

Authorized—1,750,000 shares of \$1.00 each		
Outstanding—1,749,308 shares		\$1,749,308.00

RESERVE FOR DEPRECIATION 800,183.86

CURRENT:

Interest and Taxes accrued	\$ 45,590.99	
Accounts and Wages payable	72,664.85	118,255.84

SURPLUS ACCOUNT:

Deficit 31st December, 1928	99,120.96	
Net income of the year ended 31st December, 1929	830,862.61	731,741.65
		<u>\$3,399,489.35</u>

We hereby certify that this Balance Sheet shows the financial condition of Walker Mining Company at 31st December, 1929, and that the accompanying Income Account for the year ended that date is correct as stated.

POGSON, PELOUBET & Co.,
Certified Public Accountants.

New York, 10th March, 1930.

NOTE—In order to comply with the Government Income Tax requirements for the purpose of computing depletion additional entries respecting the valuation of the mining property have been recorded upon the books of the Company; but being made for tax purposes only, the result of such entries is omitted from the current statements.

Walker Mining Company

INCOME ACCOUNT

YEAR ENDED 31st DECEMBER, 1929

Sale of Ore and Concentrates		\$2,551,109.79
Mining and Milling	\$1,353,954.38	
Transportation	256,870.12	
Inventory at beginning of year	309,443.86	
	<hr/>	
	1,920,268.36	
Less, Inventory at end of year	384,917.41	1,535,350.95✓
	<hr/>	
Operating Profit		1,015,758.84
Depreciation	115,223.03	
Interest	25,939.73	
Federal Income Tax	43,733.47	184,896.23
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Net income of the year ended 31st December, 1929		<u>\$ 830,862.61</u>